

**Montana Board of Oil and Gas Conservation
Environmental Assessment**

Operator: Comet Ridge Resources, LLC
Well Name/Number: Collings #1
Location: NW NW Section 17 T37N R21E
County: Blaine, **MT;** **Field (or Wildcat)** Wildcat

Air Quality

(possible concerns)

Long drilling time: No, 10 to 14 days drilling time.

Unusually deep drilling (high horsepower rig) : No, single or double drilling rig to drill to 4900' TD.

Possible H₂S gas production: Slight chance H₂S from Madison Formation.

In/near Class I air quality area: No Class I air quality area in the area of review.

Air quality permit for flaring/venting (if productive): Yes, DEQ air quality permit required under 75-2-211.

Mitigation:

☒ Air quality permit (AQB review)

☐ Gas plants/pipelines available for sour gas

☐ Special equipment/procedures requirements

☐ Other: _____

Comments: No special concerns – using small rig to drill to 4,900' TD. If there are existing pipelines for natural gas in the area then associated gas must be tied into gathering system or if no gathering system nearby associated gas can be flared under Board Rule 36.22.1220.

Water Quality

(possible concerns)

Salt/oil based mud: No, freshwater and freshwater mud system.

High water table: No high water table anticipated

Surface drainage leads to live water: No, closest drainage is an unnamed ephemeral tributary drainage to East Fork Battle Creek, about 1/8 of a mile to the south of this location. Within this unnamed ephemeral drainage there is a stock pond.

Water well contamination: No, no water wells within 1 mile of this location.

Porous/permeable soils: No, bentonitic clay soils.

Class I stream drainage: No Class I stream drainages in the area of review.

Mitigation:

☒ Lined reserve pit

☒ Adequate surface casing

☐ Berms/dykes, re-routed drainage

☐ Closed mud system

☐ Off-site disposal of solids/liquids (in approved facility)

☐ Other: _____

Comments: 350' of surface casing cemented to surface adequate to protect freshwater zones. Also, fresh water mud systems to be used. Production casing will be cemented to surface.

Soils/Vegetation/Land Use

(possible concerns)

Stream crossings: None anticipated.

High erosion potential : No, small cut, up to 1.5' and small fill, up to 1.0', required.

Loss of soil productivity: No, location will be restored after drilling, if nonproductive. If productive unused portion of drillsite will be reclaimed.

Unusually large wellsite: No, 250'X300' location size required.

Damage to improvements: Slight, surface use is grassland.

Conflict with existing land use/values Slight

Mitigation

 Avoid improvements (topographic tolerance)

 Exception location requested

 X Stockpile topsoil

 Stream Crossing Permit (other agency review)

 X Reclaim unused part of wellsite if productive

 Special construction methods to enhance reclamation

 Other _____

Comments: Existing county road, Zurich county road and existing two track ranch trails will be used. About 21,386' of new access will have to be built into the location off existing county road. Cutting will be fly ashed and buried in the lined pit. Drilling fluids will be allowed to dry in the pits. Pits will be restored after they have dried. No special concerns

Health Hazards/Noise

(possible concerns)

Proximity to public facilities/residences: None nearby.

Possibility of H2S: Slight chance of H2S.

Size of rig/length of drilling time: Small drilling rig/short 10 to 14 days drilling time.

Mitigation:

 X Proper BOP equipment

 Topographic sound barriers

 H2S contingency and/or evacuation plan

 Special equipment/procedures requirements

 Other: _____

Comments: No concerns

Wildlife/recreation

(possible concerns)

Proximity to sensitive wildlife areas (DFWP identified) : None identified.

Proximity to recreation sites: None identified.

Creation of new access to wildlife habitat: None identified.

Conflict with game range/refuge management: None

Threatened or endangered Species: Species identified as threatened or endangered are the Pallid Sturgeon and Black-footed Ferret. Candidate species are the Sprague's Pipit and the Greater Sage Grouse. NH tracker website indicates eight (8) species of concern: Swift Fox, Baird's Sparrow, Sprague's Pipit, Chestnut Collar Longspur, Greater Sage Grouse, Long-billed Curlew, McCown's Longspur and Brewer's Sparrow.

Mitigation:

 Avoidance (topographic tolerance/exception)

☐ Other agency review (DFWP, federal agencies, DSL)

☐ Screening/fencing of pits, drillsite

☐ Other: _____

Comments: Private surface grazing land. There may be species of concern that maybe impacted by this wellsite. We ask the operator to consult with the surface owner as to what he would like done, if a species of concern is discovered at this location. The Board of Oil & Gas has no jurisdiction over private surface lands.

Historical/Cultural/Paleontological

(possible concerns)

Proximity to known sites None identified

Mitigation

☐ avoidance (topographic tolerance, location exception)

☒ other agency review (SHPO, DSL, federal agencies)

☐ Other: _____

Comments: Private grazing surface land. There may be possible historical/cultural/paleontological sites that maybe impacted by this wellsite. We ask the operator to consult with the surface owner as to his desires to preserve these sites or not, if they are found during construction of the wellsite. The Board of Oil & Gas has no jurisdiction over private surface lands.

Social/Economic

(possible concerns)

☐ Substantial effect on tax base

☐ Create demand for new governmental services

☐ Population increase or relocation

Comments: No concerns

Remarks or Special Concerns for this site

Well is a 4900' Madison Formation test.

Summary: Evaluation of Impacts and Cumulative effects

No long term impacts expected, some short term impacts will occur.

I conclude that the approval of the subject Notice of Intent to Drill (does/**does not**) constitute a major action of state government significantly affecting the quality of the human environment, and (does/**does not**) require the preparation of an environmental impact statement.

Prepared by (BOGC): /s/Steven Sasaki

(title:) Chief Field Inspector

Date: July 5, 2012

Other Persons Contacted:

Montana Bureau of Mines and Geology, Groundwater Information Center website.

(Name and Agency)

Water wells in Blaine County

(subject discussed)

July 5, 2012

(date)

US Fish and Wildlife, Region 6 website

(Name and Agency)

ENDANGERED, THREATENED, PROPOSED AND CANDIDATE SPECIES MONTANA
COUNTIES, Blaine County, Montana

(subject discussed)

July 5, 2012

Montana Natural Heritage Program Website

(Name and Agency)

Heritage State Rank= S1, S2, S3, Location T37N R21E

(subject discussed)

July 5, 2012

(date)

If location was inspected before permit approval:

Inspection date: _____

Inspector: _____

Others present during inspection: _____